



February 22, 2002

ENGROSSED HOUSE BILL No. 1317

DIGEST OF HB 1317 (Updated February 21, 2002 1:44 PM - DI 101)

Citations Affected: IC 6-6; IC 32-11.

Synopsis: Gasoline tax. Increases the state gasoline tax to: (1) 18 cents per gallon during 2003; (2) 20 cents per gallon during 2004; and (3) 22 cents per gallon after 2004 (the tax rate is currently 15 cents per gallon). Provides that certain amounts of the increased revenue from the increase in the gasoline tax rate is to be: (1) deposited in the state highway fund; and (2) distributed to counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account. Increases the amount of litigation costs that a defendant may be awarded in certain eminent domain actions from \$2,500 to \$5,000.

Effective: July 1, 2002; January 1, 2003.

Liggett, Scholer, Crosby, Saunders Klinker, Leuck

(SENATE SPONSORS — SIMPSON, MEEKS R, KENLEY, HUME,
RIEGSECKER, LAWSON C, BRODEN)

January 15, 2002, read first time and referred to Committee on Ways and Means.
January 31, 2002, amended, reported — Do Pass.
February 4, 2002, read second time, amended, ordered engrossed.
February 5, 2002, engrossed. Read third time, passed. Yeas 76, nays 21.

SENATE ACTION

February 11, 2002, read first time and referred to Committee on Finance.
February 21, 2002, amended, reported favorably — Do Pass.

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EH 1317—LS 6865/DI 44+



February 22, 2002

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

ENGROSSED HOUSE BILL No. 1317

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-6-1.1-201 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 201. A license tax
3 ~~of fifteen cents (\$0.15) per gallon~~ is imposed on the use of all gasoline
4 used in Indiana, except as otherwise provided by this chapter. **The rate**
5 **of the tax is:**

6 (1) **eighteen cents (\$0.18) per gallon on gasoline used in**
7 **Indiana during 2003;**

8 (2) **twenty cents (\$0.20) per gallon on gasoline used in Indiana**
9 **during 2004; and**

10 (3) **twenty-two cents (\$0.22) per gallon on gasoline used in**
11 **Indiana after 2004.**

12 The distributor shall initially pay the tax on the billed gallonage of all
13 gasoline the distributor receives in this state, less any deductions
14 authorized by this chapter. The distributor shall then add the per gallon
15 amount of tax to the selling price of each gallon of gasoline sold in this
16 state and collected from the purchaser so that the ultimate consumer
17 bears the burden of the tax.

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SECTION 2. IC 6-6-1.1-801.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 801.5. (a) The administrator shall transfer ~~one-fifteenth (1/15)~~ **the following amounts** of the taxes that are collected under this chapter to the state highway road construction and improvement fund:

(1) **Two eighteenth (2/18) of the taxes that are collected under this chapter during 2003.**

(2) **Two twentieths (2/20) of the taxes that are collected under this chapter during 2004.**

(3) **Two twenty-seconds (2/22) of the taxes that are collected under this chapter after 2004.**

(b) **The administrator shall transfer the following amounts of taxes that are collected under this chapter to the state highway fund:**

(1) **One eighteenth (1/18) of the taxes that are collected under this chapter during 2003.**

(2) **Two twentieths (2/20) of the taxes that are collected under this chapter during 2004.**

(3) **Three twenty-seconds (3/22) of the taxes that are collected under this chapter after 2004.**

(c) **The administrator shall transfer the following amounts of taxes that are collected under this chapter to the auditor of state for distribution to counties, cities, and towns:**

(1) **One eighteenth (1/18) of the taxes that are collected under this chapter during 2003.**

(2) **Two twentieths (2/20) of the taxes that are collected under this chapter during 2004.**

(3) **Three twenty-seconds (3/22) of the taxes that are collected under this chapter after 2004.**

The auditor of state shall distribute the amounts described in this subsection to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1. Money distributed under this subsection may be used only for purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1.

~~(b)~~ **(d)** After the ~~transfer~~ **transfers** required by ~~subsection~~ **subsections (a) through (c)**, the administrator shall transfer the next twenty-five million dollars (\$25,000,000) of the taxes that are collected under this chapter and received during a period beginning July 1 of a



year and ending June 30 of the immediately succeeding year to the auditor of state for distribution in the following manner:

(1) thirty percent (30%) to each of the counties, cities, and towns eligible to receive a distribution from the local road and street account under IC 8-14-2 and in the same proportion among the counties, cities, and towns as funds are distributed under IC 8-14-2-4;

(2) thirty percent (30%) to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1; and

(3) forty percent (40%) to the Indiana department of transportation.

~~(c)~~ (e) The auditor of state shall hold all amounts of collections received under subsection ~~(b)~~ (d) from the administrator that are made during a particular month and shall distribute all of those amounts pursuant to subsection ~~(b)~~ (d) on the fifth day of the immediately succeeding month.

~~(d)~~ (f) All amounts distributed under subsection ~~(b)~~ (d) may only be used for purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1.

SECTION 3. IC 32-11-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The costs of the proceedings shall be paid by the plaintiff, except that in case of trial the additional costs thereby caused shall be paid as the court shall adjudge. However, if, in case of trial, the amount of damages awarded to the defendant by the judgment, exclusive of interest and costs, is greater than the amount specified in the last offer of settlement made by the plaintiff under section 8.1 of this chapter, the court shall allow the defendant his litigation expenses in an amount not to exceed ~~twenty-five hundred five thousand~~ dollars ~~(\$2,500)~~: **(\$5,000)**.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1317, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Replace the effective dates in SECTIONS 1 through 2 with "[EFFECTIVE JANUARY 1, 2003]".

Page 1, delete lines 6 through 11, begin a new line block indented and insert:

"(1) sixteen cents (\$0.16) per gallon on gasoline used in Indiana after December 31, 2002, and before January 1, 2004; and

(2) seventeen cents (\$0.17) per gallon on gasoline used in Indiana after December 31, 2003."

Page 2, delete lines 6 through 40, begin a new line block indented and insert:

"(1) One sixteenth (1/16) of the taxes that are collected under this chapter after December 31, 2002, and before January 1, 2004.

(2) One seventeenth (1/17) of the taxes that are collected under this chapter after December 31, 2003.

(b) The administrator shall transfer the following amounts of the taxes that are collected under this chapter to the motor vehicle highway account:

(1) One sixteenth (1/16) of the taxes that are collected under this chapter after December 31, 2002, and before January 1, 2004.

(2) One seventeenth (1/17) of the taxes that are collected under this chapter after December 31, 2003."

Page 2, line 41, delete "(e)" and insert "(c)".

Page 2, line 42, delete "(d)" and insert "(b)".

Page 3, line 17, delete "(f)" and insert "(d)".

Page 3, line 18, delete "(e)" and insert "(c)".

Page 3, line 20, delete "(e)" and insert "(c)".

Page 3, line 22, delete "(g)" and insert "(e)".

Page 3, line 22, delete "(e)" and insert "(c)".

Page 3, delete lines 25 through 42, begin a new paragraph and insert:

"SECTION 3. IC 32-11-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. The costs of the proceedings shall be paid by the plaintiff, except that in case of trial the additional costs thereby caused shall be paid as the court shall adjudge.

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However, if, in case of trial, the amount of damages awarded to the defendant by the judgment, exclusive of interest and costs, is greater than the amount specified in the last offer of settlement made by the plaintiff under section 8.1 of this chapter, the court shall allow the defendant his litigation expenses in an amount not to exceed ~~twenty-five hundred five thousand~~ dollars ~~(\$2,500)~~. **(\$5,000)**".

Delete page 4.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1317 as introduced.)

BAUER, Chair

Committee Vote: yeas 21, nays 5.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1317 be amended to read as follows:

Page 2, line 15, delete "One seventeenth (1/17)" and insert "**Two seventeenth (2/17)**".

(Reference is to HB 1317 as printed February 1, 2002.)

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SENATE MOTION

Mr. President: I move that Senator Broden be added as cosponsor of Engrossed House Bill 1317.

SIMPSON

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EH 1317—LS 6865/DI 44+



COMMITTEE REPORT

Mr. President: The Senate Committee on Finance, to which was referred House Bill No. 1317, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 6 through 9, begin a new line block indented and insert:

- "(1) eighteen cents (\$0.18) per gallon on gasoline used in Indiana during 2003;**
- (2) twenty cents (\$0.20) per gallon on gasoline used in Indiana during 2004; and**
- (3) twenty-two cents (\$0.22) per gallon on gasoline used in Indiana after 2004."**

Page 2, delete lines 4 through 16, begin a new line block indented and insert:

- "(1) Two eightieths (2/18) of the taxes that are collected under this chapter during 2003.**
- (2) Two twentieths (2/20) of the taxes that are collected under this chapter during 2004.**
- (3) Two twenty-seconds (2/22) of the taxes that are collected under this chapter after 2004.**

(b) The administrator shall transfer the following amounts of taxes that are collected under this chapter to the state highway fund:

- (1) One eighteenth (1/18) of the taxes that are collected under this chapter during 2003.**
- (2) Two twentieths (2/20) of the taxes that are collected under this chapter during 2004.**
- (3) Three twenty-seconds (3/22) of the taxes that are collected under this chapter after 2004.**

(c) The administrator shall transfer the following amounts of taxes that are collected under this chapter to the auditor of state for distribution to counties, cities, and towns:

- (1) One eighteenth (1/18) of the taxes that are collected under this chapter during 2003.**
- (2) Two twentieths (2/20) of the taxes that are collected under this chapter during 2004.**
- (3) Three twenty-seconds (3/22) of the taxes that are collected under this chapter after 2004.**

The auditor of state shall distribute the amounts described in this subsection to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account



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under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1. Money distributed under this subsection may be used only for purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1."

Page 2, line 17, delete "(c)" and insert "(d)".

Page 2, line 18, delete "(b)" and insert "(c)".

Page 2, line 35, delete "(d)" and insert "(e)".

Page 2, line 36, delete "(c)" and insert "(d)".

Page 2, line 38, delete "(c)" and insert "(d)".

Page 2, line 40, delete "(e)" and insert "(f)".

Page 2, line 40, delete "(c)" and insert "(d)".

and when so amended that said bill do pass.

(Reference is to HB 1317 as reprinted February 5, 2002.)

BORST, Chairperson

Committee Vote: Yeas 12, Nays 3.

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